

February 13, 2025

The Honorable Sean Tarwater, Chairperson
House Committee on Commerce, Labor and Economic Development
300 SW 10th Avenue, Room 346-S
Topeka, Kansas 66612

Dear Representative Tarwater:

SUBJECT: Fiscal Note for HB 2339 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2339 is respectfully submitted to your committee.

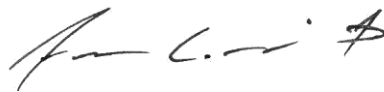
HB 2339 would establish the Intergenerational Child Care Program to provide financial assistance to adult care homes (as defined in KSA 39-923) for the development and operation of child care programs. The program would be administered by the Secretary of Health and Environment. The bill would create the Intergenerational Child Care Fund for program use and would direct \$1.0 million be transferred from the State General Fund to the fund on July 1 in 2025 through 2027 and the program would have a sunset of July 1, 2028. Financial assistance would be provided through a grant process as outlined in the bill and grants would be awarded to assist newly licensed adult care homes in covering start-up costs associated with establishing child care services and to support programming and operational costs for existing adult care homes offering child care services. The Secretary would be required to submit an annual report on the program to the Legislature. The bill would also set minimum education levels for instructors at nursing schools and expand the current Nursing Service Scholarship Program to include part-time students.

According to the Kansas Department of Health and Environment (KDHE), enactment of HB 2339 would increase expenditures by \$1,076,000. The bill would provide an annual transfer of \$1.0 million from the State General Fund for assistance through the grant program but does not provide for operational expenses. KDHE estimates \$76,000 would be needed for 1.00 position to oversee the development, implementation, and evaluation of the program. The agency believes the grant could be developed using the existing Kansas Grant Management System.

The Kansas State Board of Nursing indicates that enactment of the bill would not result in a fiscal effect for the agency but notes that there are long-term fiscal considerations for nursing graduates and employers. The Board reports that changing the minimum education levels for nursing instructors could affect the ability of nursing school graduates to successfully pass licensure examinations and obtain employment. The Kansas Board of Regents notes that while the bill would expand the Nursing Service Scholarship Program, the current appropriation for this scholarship is underutilized. The Board anticipates any additional workload associated with implementation of the bill could be managed within existing resources.

The Kansas Department for Aging and Disability Services reports that enactment of the bill would not result in a fiscal effect for the agency. Any fiscal effect associated with HB 2339 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", followed by a stylized flourish or symbol.

Adam C. Proffitt
Director of the Budget

cc: Amy Penrod, Department of Health & Environment
Leigh Keck, Department for Aging & Disability Services
Jill Simons, Board of Nursing
Becky Pottebaum, Board of Regents